

# DIVISION OF FACILITIES CONSTRUCTION & MANAGEMENT

Oct. 20, 2016

# STATE-OWNED AND LEASED FACILITIES SUMMARY

## State-Owned Buildings:

- 3,640 – Total State-Owned Buildings
  - 57,900,000 SF
- 2,231 – State Agency-Occupied
  - 18,300,000 State Agency Occupied
- 1,409 – Higher Education Buildings
  - 39,600,000 SF

# STATE-OWNED AND LEASED FACILITIES SUMMARY

## State-Owned Buildings – Utilization (Example):

- 99% Utilized (Typical)
- 1385 South State (13,000SF)
  - DWS Moved Out
  - Insurance Department – currently be remodeled

# STATE-OWNED AND LEASED FACILITIES SUMMARY

## Leased Facilities:

- 278 Leased Facilities & Lands
  - 1,438,253 SF
  - \$19,725,622 Annual Lease Payments
  - Office, Grounds, Library, Parking, Residence, Retail, Storage, Trailer, Hangar, etc.
  
- 201 Office Leased Space
  - 1,185,520 SF
  - \$17,739,500 Annual Lease Payments

# OFFICE LEASE SCENARIO

Agency	Address	Lease #	Space Type	Sq Ft	Annual Cost	Cost Per Sq Ft	Expiration Date
HUMAN SERVICE	515 East 100 South, Salt Lake City	941976	Office	71,944	\$1,479,888	\$20.57	Jun-18
GOED	60 East South Temple, Suite 300, Salt La	120315	Office	28,430	\$695,556	\$24.47	Jun-20
BOARD OF ED	210 West Harris Avenue, Salt Lake City	081803	Office	27,300	\$681,408	\$24.96	Jul-20
HEALTH	515 East 100 South, Salt Lake City	131112	Office	25,302	\$516,715	\$20.42	Dec-17
BOARD OF ED	50 West Broadway, Salt Lake City	080976	Office	9,484	\$253,099	\$26.69	Jan-19
FINANCIAL INSTITUTIONS	324 South State, #201, Salt Lake City	900951	Office	10,543	\$187,140	\$17.75	Jun-20
GOVERNOR'S OFFICE	350 East 500 South, Salt Lake City	921588	Office	9,538	\$152,892	\$16.03	Jun-20
MEDICAL ED. COUNCIL	230 S 500 E, Ste 550, Salt Lake City	020167	Office	2,383	\$54,576	\$21.87	Jul-21
SCHOOL/INST TRUST LANDS	200 E. So Temple, SLC	160010	Office	2,542	\$47,628	18.74	Oct-20
				187,466	\$4,068,902	\$21.70	

# OFFICE LEASE SCENARIO

## ASSUMPTIONS:

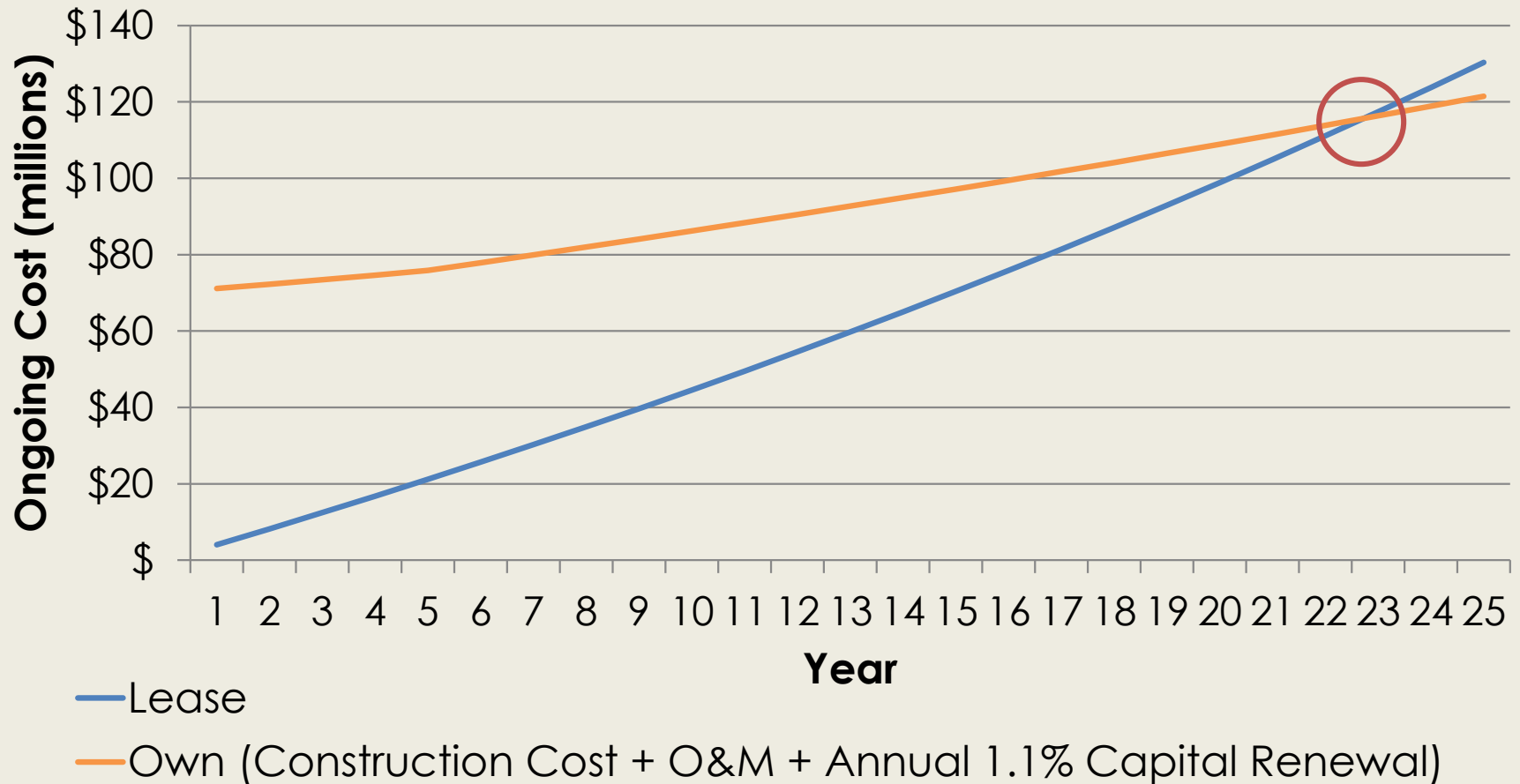
- 187,466 SF Current Leased Office Space
  - \$4,068,902 Annual Lease Payments
  - 2% Annual Lease Escalation
  
- 200,000 SF State-Owned Multi-Agency Office Building
  - \$350.00 / SF Construction Costs
  - \$5.63 / SF Beginning O&M Costs, 2% Annual Escalation
  - 1.1% Annual Capital Renewal (Beginning in Year 6)

# OFFICE LEASE SCENARIO

LEASE		
Lease Payment Schedule		
	Annual Lease Payment	Ongoing Total
Year 1	\$4,068,902	
Year 2	\$4,150,280	\$8,219,182
Year 3	\$4,233,286	\$12,452,468
Year 4	\$4,317,951	\$16,770,419
Year 5	\$4,404,310	\$21,174,729
Year 6	\$4,492,397	\$25,667,126
Year 7	\$4,582,245	\$30,249,371
Year 8	\$4,673,889	\$34,923,260
Year 9	\$4,767,367	\$39,690,627
Year 10	\$4,862,715	\$44,553,342
Year 11	\$4,959,969	\$49,513,311
Year 12	\$5,059,168	\$54,572,479
Year 13	\$5,160,352	\$59,732,830
Year 14	\$5,263,559	\$64,996,389
Year 15	\$5,368,830	\$70,365,219
Year 16	\$5,476,206	\$75,841,425
Year 17	\$5,585,731	\$81,427,156
Year 18	\$5,697,445	\$87,124,601
Year 19	\$5,811,394	\$92,935,995
Year 20	\$5,927,622	\$98,863,617
Year 21	\$6,046,174	\$104,909,791
Year 22	\$6,167,098	\$111,076,889
Year 23	\$6,290,440	\$117,367,328
Year 24	\$6,416,249	\$123,783,577
Year 25	\$6,544,574	\$130,328,151

OWN				
Construction Cost: \$70,000,000				
	O&M with 2% Annual Escalation	Ongoing O&M Total	Annual Capital Renewal at 1.1%	Total cost with ongoing O&M and capital renewal
Year 1	\$1,126,000			\$71,126,000
Year 2	\$1,148,520	\$2,274,520		\$72,274,520
Year 3	\$1,171,490	\$3,446,010		\$73,446,010
Year 4	\$1,194,920	\$4,640,931		\$74,640,931
Year 5	\$1,218,819	\$5,859,749		\$75,859,749
Year 6	\$1,243,195	\$7,102,944	\$770,000	\$77,872,944
Year 7	\$1,268,059	\$8,371,003	\$770,000	\$79,911,003
Year 8	\$1,293,420	\$9,664,423	\$770,000	\$81,974,423
Year 9	\$1,319,288	\$10,983,712	\$770,000	\$84,063,712
Year 10	\$1,345,674	\$12,329,386	\$770,000	\$86,179,386
Year 11	\$1,372,588	\$13,701,974	\$770,000	\$88,321,974
Year 12	\$1,400,039	\$15,102,013	\$770,000	\$90,492,013
Year 13	\$1,428,040	\$16,530,053	\$770,000	\$92,690,053
Year 14	\$1,456,601	\$17,986,654	\$770,000	\$94,916,654
Year 15	\$1,485,733	\$19,472,387	\$770,000	\$97,172,387
Year 16	\$1,515,448	\$20,987,835	\$770,000	\$99,457,835
Year 17	\$1,545,757	\$22,533,592	\$770,000	\$101,773,592
Year 18	\$1,576,672	\$24,110,264	\$770,000	\$104,120,264
Year 19	\$1,608,205	\$25,718,469	\$770,000	\$106,498,469
Year 20	\$1,640,369	\$27,358,838	\$770,000	\$108,908,838
Year 21	\$1,673,177	\$29,032,015	\$770,000	\$111,352,015
Year 22	\$1,706,640	\$30,738,655	\$770,000	\$113,828,655
Year 23	\$1,740,773	\$32,479,429	\$770,000	\$116,339,429
Year 24	\$1,775,589	\$34,255,017	\$770,000	\$118,885,017
Year 25	\$1,811,100	\$36,066,117	\$770,000	\$121,466,117

# TOTAL COST OF LEASE VS. OWNED OVER 20 YEARS





# LEASE VS. OWNED SUMMARY

After 25 years...

\$8.8 million less

\$70+ million  
asset

Building is built  
to a 50-year  
standard

Building is  
maintained to  
State standards